

Relative and Cross-National Human Resource Management Research: Development of a Hypothetical Model By Rehman Safdar

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Abstract

Rapid development of the human resource management (HRM) discipline has been discussed in this article with the need for more cross-national HRM studies. Thereafter the universal applicability of Anglo-Saxon models of HRM is questioned. In order to examine the applicability of HRM models in various settings (national and international), six major HRM models have been critically analyzed and their main research propositions have been identified. This provides the foundation for a framework for HRM evaluations in diverse contexts. Based on such a framework and developments in the literature, finally, a contextual model is proposed for conducting cross-national and relative HRM studies. The paper also provides some related directions for future research also.

Index terms— Human Resource Management; HRM models; HRM contextual framework; Cross-national research; HRM developments.

1 INTRODUCTION

Researchers Boxall, 1995; Schuler, 1995 and Legge, 1995 are well known in the nineties who documented the developments in the area of human resources management (HRM) literature. The debate relating to the nature of HRM continues even today, even though the focus of the debate has changed over time. It commenced by an attempt to demarcate the distinction between HRM and 'personnel management or establishment' and further inclusion of industrial relations into the HRM through evaluating the relationship of HRM strategies, inclusion of HRM into the business strategies and then the extent to which HRM can act as a key resource to accomplish an antagonistic improvement in the organizations. Most of these advancements have occurred during the last twenty years or so and have precipitated changes in the nature of the human resource (HR) function from being imprudent, dictatorial and secretarial to being practical, expressive and executive (Boxall, 1994; Legge, 1995).

Currently, Boxall, 1995; Sisson, 1996, Guest, 1997 have highlighted the role of HRM in enhancing productivity and organizational performance for the a more vibrant globalization with an ongoing fast pace, hence relative issues appear to be gaining impetus (Dowling et al., 1994 ; Brewster et al., 1996). Both the researchers and academicians in the field of HRM are realizing the necessity to look at the thoughts of people like managers and other staff particularly those who are working in different countries. This seems to be vital for the growth of relevant human resource best practices. The amplified likelihood of having to handle in an international scenario has made this very important.

Researchers have positively responded to meet the challenges raised by the vibrant business environment. Various HRM models have been developed and proposed both between and within nations (Boxall, 1995; Brewster, 1995; Legge, 1995, Guest, 1997). Most of these HRM models have an Anglo-Saxon base. During the stage of formative years the HRM literature such an ethnocentric approach was explicable and inevitable. However, the current proactive international business environment needs appropriate information and guideline to develop

pertinent HRM policies and practices. In view of above, the significance of lessons erudite from the Anglo-Saxon experience was open to discussion (Hofstede, 1993). It is, therefore, crucial to analyze the degree to which Anglo-Saxon HRM models are appropriate in other parts of the world. Kochan et al., 1992 emphasis on the study of HRM in an international perspective.

Researchers like Monks in 1993, Tenkoff and Truss et al., in 1997 have made an attempt to observe the practicability of a few of the theoretical HRM models. But it was worth mentioning that most of these investigations have been conducted in the UK or other western countries whereas no such attempt has been made to examine a model in a non-western country. Furthermore, current literature has shown a prominence on the themes like strategic HRM, cross-national, crosscultural or relative HRM studies but majority of the researchers are still probing only the conventional 'hard' and 'soft' models of HRM (Legge, 1995). So far as the growth of international HRM (IHRM) is concerned, still there is a strong need to observe the applications of such HRM models, which can assist to evaluate the Guthrie & Olian, 1991;Schuler, 1995 andThelen, 1995 studied that the model will not only examine the applicability of HRM approaches in various regions but would also assist to emphasize the context-specific type of HRM practices. Existing literature however has shown a paucity of research in this particular area. Brewster et al., 1996;Budhwar, 1997Budhwar, , 1999;;Cavusgil & Das, 1997;Jackson & Schuler, 1995 found that due to the methodological issues involved in cross-national research were more frequent and even more composite than the single nation and also due to the nonexistence of a broad framework for carrying out such studies. Relative and cross-national terms have been used interchangeably in this research paper.

In order to proceed further, such investigations are required to examine empirically and the practicability of main HRM models in various regions. Next section contains six models of HRM which have been analyzed, renowned in the HRM literature and also cover up a wide assortment of important HRM issues. However, it must be noted that these six models do not present a whole depiction of the HRM field. It is proposed that other HRM models should also be analyzed in line with the framework used in this study. The models which have been analysed had a number of points in general regarding their contents. Research propositions helpful for evaluating the applicability of each one model are acknowledged along with the analysis. Later on, a contextual framework has been presented to examine these research propositions in various contexts.

2 II.

3 HRM DEVELOPMENT

Several HRM theoretical models have been discussed in the HRM literature, however, only six main HRM models have been analyzed here. These models are, Matching Model, Harvard Model, Contextual Model, 5-P Model, European Model' and HR-Performance model (Poole, 1990;Boxall, 1992;Brewster, 1995;Legge, 1995;Budhwar, 1996;Guest, 1997;and Rehman Safdar et al;2010). The rationale for analyzing these models is two-fold, first, to underline their main contribution to the growth of HRM as a distinctive discipline secondly, to classify the major research propositions suitable for probing these models. The analysis commenced with one of the conventional HRM models.

4 III.

5 HARD DIVERGENCE OF HRM

The key contributors of the 'Matching Model' of HRM moved toward from the Michigan and New York schools. Model of Fombrun et al.'s in 1984 highlighted the 'resource' characteristic of HRM and emphasized organization, human resources should be hired keeping in view the factor of economy and developed them for the future needs. The matching model depended on Chandler's (1962) argument that an organizational structure should be an outcome of its strategy. Galbraith & Nathanson (1978) extended the Chandler's analysis and associated various human resources functions like career growth, compensations and leadership styles with the organization's plan and structure. They had highlighted the worth of the HRM function in the accomplishment of an organization's mission.

In 1984 Fombrun et al. expanded these analyses and explored the matching model of strategic HRM, which emphasized a 'tight' between organizational strategy, organizational structure and HRM system. The organizational strategy should be paramount, i.e. both organization structure and HRM should be dependent on the strategy of the organization. The major endeavor of the matching model was to develop a suitable 'human resource system' which would differentiate those HRM strategies that contributed to the most effective and efficient execution of the business strategies.

Due to several reasons, HRM matching model has also been criticized. Boxall in 1992 argued that the model was too narrow by nature, due to the fact that its assumptions were strongly unitarist. Since the model emphasized a 'tight fit' linking organizational strategy and HRM strategies, hence it ignored completely the concerns of employees, resultantly considered HRM as a totally inactive, reactive and implementations function. Several researchers argued that they actually observe the opposite development (Storey, 1992). It was also asserted that it failed to distinguish the prospective for a mutual association between HR strategy and organizational strategy (Lengnick-Hall & Lengnick-Hall, 1988;Boxall, 1992; ??). The HRM matching model also missed the 'human'

facet of human resources hence, recognized as a 'hard' model of HRM (Legge, 1995;Storey, 1992;Guest, 1997; ??). The model was also criticized for considering HR practices like recruitment and selection, performance appraisal, compensations and rewards and training & development only as the 'generic' HRM functions. By doing so, it overlooked two elementary policy domains, which other researchers argued that should be included amongst the list of the generic functions, leadership styles, employee and industrial relations, trade unions and their bargaining power.

In contrast the HRM matching model deserved credit for providing a framework for succeeding theory development in the field of HRM. Researchers must implement a wide-ranging methodology in order to the proficient deployment of the employees to meet up the organizational aims and objectives.

6 HRM SOFT VARIANT

The 'Harvard Model' of HRM was another analytical framework, which was premised on the view that if top management developed a viewpoint on 'how they wish to see employees involved in and developed by the enterprise', then some of the criticisms of historical personnel management could be overcome. The model was first articulated by Beer et al. (1984). Compared to the matching model, this model was termed the 'soft' variant (Storey, 1992;Legge, 1995;Truss et al., 1997). It stressed the 'human' aspect of HRM and was more concerned with the employer and employee relationship. The model highlighted the interests of various stakeholders in the organization such as shareholders, management, employee groups, government, community and unions and how their interests were related to the objectives of management. This aspect of the model provided some awareness of the European context and other business systems which emphasized 'co-determination' (Boxall, 1992). It also recognized the influence of situational factors like market situation on HRM policy choices.

The actual content of HRM, according to this model was described in relation to four policy areas, which were human resource flows, reward systems, employee influence and works systems. Each of the four policy areas were characterized by a series of tasks to which managers must attend. The outcomes that these four HR policies require to achieve were commitment, competence, congruence and cost effectiveness. The aim of these outcomes was therefore to develop and sustain mutual trust and improve individual/group performance at the minimum cost so as to achieve individual comfort, organizational effectiveness and societal well-being. The model allowed for analysis of these outcomes at both the organizational and societal level. As this model acknowledged the role of societal outcomes, it could provide a useful basis for comparative analysis of HRM (Poole, 1990). However, the Harvard analytical framework represented two very different emphases: the former is closer to the strategic management literature, the latter to the human relations tradition. Based on the above analysis, the main research propositions emerging from this model, which can be used for examining its applicability in different contexts, were:

7 THE CONTEXTUAL EMPHASIS

Based on the Harvard Model, researchers at the Centre for Corporate Strategy and Change at the Warwick Business School developed an understanding of strategy making in complex organizations and related this to the ability to transform HRM practices. They investigated empirically based data (collected through in-depth case studies on over twenty leading British organizations) to examine the link between strategic change and transformations, and the way in which people are managed (Hendry et al., 1988;Hendry and Pettigrew, 1992;). Hendry and associates argued that HRM should not be labeled as a single form of activity. Organizations may follow a number of different pathways in order to achieve the same results. This was mainly due to the existence of a number of relationship between the outer environmental context (socioeconomic, technological, political-legal and competitive) and inner organizational context (culture, structure, leadership, task technology and business output). These linkages contributed directly to form the content of an organization's HRM. To analyze this, past information related to the organization's development and management of change was essential (Sparrow and Hiltrop, 1994).

The main research propositions emerging from this model are: the presence of the core issues of the model. The main this model has been criticized for not explaining the complex relationship between strategic management and HRM (Guest, 1991). Both the matching model and nature, positioning of HR and HR strategies) and HRM strategies? management and HRM more extensively (Guest, 1991;Boxall, 1992; ??). Commencing from 1986-87, the literature has shown an increasing concern about this issue (Schuler and Jackson, 1987;Lengnick-Hall and Lengnick-Hall, 1988;Hendry and Pettigrew, 1992). The next model analysed was strongly based on this premise. Survey results indicated that a practice of proactive job analysis was strongly related to organizational performance. This relationship was strongest to the extent that companies maintained HR information systems, accorded HR greater involvement in strategic planning and emphasized competency-based characteristics of employees in the job analysis approaches they used. CM Siddiqui found Job analysis as a vital strategic human recourse management practice. Rehman Safdar (2010) found a relationship between job analysis and job performance.

8 VI.

9 STRATEGIC INTEGRATION ISSUE

In view of above and study of Schuler, 1992 purpose of SHRM was to ensure that: a) HRM is fully integrated with the strategy and strategic needs of an organization; b) HR policies are coherent both across policy areas and across hierarchies. c) HR practices are adjusted, accepted and used by line managers and employees as part of their everyday work. SHRM therefore has many different components, including HR policies, culture, values and practices. Schuler in 1992 developed a 5-P model of SHRM which melds five HR activities (Policies, Practices, Philosophies, Programmes and Processes) with strategic requirements. Strategic needs reflect management's overall plan for survival, growth, adaptability and profitability. The strategic HR activities form the main components of a HR strategy. This model explained to a great extent the significance of these five SHRM activities in achieving the organization's strategic needs, and showed the interrelatedness of activities that

The model further showed the influence of internal characteristics mainly consist of factors, such as organizational culture and the nature of the business and external characteristics consisting of the nature and state of economy within which the organization exists and critical success factors, i.e. the opportunities and threats provided by the industry on the strategic business needs of an organization. This model attracted criticism for being over-prescriptive and too hypothetical in nature. Though it seemed very attractive, practitioners might find it difficult but not impossible to implement. It needed a lot of time to gain an understanding of the way strategic business needs were actually defined. The melding of business needs with HR activities was also very challenging, mainly because linkages between human resource activities and business needs tend to be the exception, even during non-turbulent times (Schuler, 1992).

Nevertheless, the model raised two important research propositions, also suggested by many other authors in the field, important for HRM comparisons. (Storey, 1995).

10 VII. HRM EUROPEAN MODEL

Moving ahead with the cross-national comparative mode, the fifth model of HRM is now being analyzed. Based on the growing importance of HRM and its contribution towards economic success and the drive towards Europeanization, Brewster (1993Brewster (, 1995)) proposed a European model of HRM. His model was based on the assertion that European organizations operate with restricted autonomy. They were constrained at both the international (European Union) and national level by national culture and legislation, at the organization level by patterns of ownership and at the HRM level by trade union involvement and consultative arrangements (Brewster, 1995). Brewster suggested the need to accommodate such constraints while forming a model of HRM. He also talked about 'external and 'internal' constraints on HRM. The external constraints on HRM were in the form of the legalistic framework, vocational training programmes, social security provisions and the ownership patterns (public and private). The internal constraints on HRM included Debates in the early 1990s suggested the need to explore the relationship between strategic were often treated separately in the literature. This was helpful in understanding the complex interaction between organizational strategy and SHRM activities.

union influence in the form of representation and employee involvement in decision making through various bodies such as workers' councils.

Based on such constraints, Brewster's model highlighted the influence of factors such as national culture, ownership structures, role of the State and trade unions on HRM in different national settings. He emphasized the need for a more comprehensive view of the role of different actors such as government, unions, management and customer in developing the concept of HRM and testing its international applicability.

The European model showed an interaction between HR strategies, business strategy and HR practice and their interaction with an external environment constituting national culture, power systems, legislation, education, employee representation and the previously mentioned constraint factors. It placed HR strategies in close interaction with the relevant organizational strategy and external environment. One important aim of this model was to show factors external to the organization as a part of the HRM model, rather than as a set of external influences upon it. This helped to place organizational approaches firmly within the national context, which contributed to a better understanding of the unique situations of and differences between nations in their HRM practices, as well as how multinational companies MNCs try to adopt local practices (Brewster, 1995). Such an approach helps to build a better model of European HRM and saves it from becoming too normative. It also moves beyond the traditional discussion about whether the term HRM should be accepted or rejected and towards a more positive debate about different forms and styles of HRM. More importantly, it helps to analyze HRM at a national level.

From the above analyses it can be seen that there was an element of both the Contextual and 5-P Models of HRM present in Brewster's European model. Apart from the emphasis on 'strategic HRM' mode, one main research proposition important for cross-national HRM comparisons emerges from Brewster's (1995) model. This was:

Research Proposition No.11 : What was the influence of international institutions, national factors (such as culture, legal set-up, economic environment and ownership patterns), national institutions(such as the educational and vocational set-up, labour markets and trade unions) on HRM strategies and HRM practices?

Pursuing more or less a similar pattern, another group of researchers (Hiltrop et al., 1995; Sparrow, 1995; Sparrow & Hiltrop, 1997) proposed a model of factors that determined the distinctiveness of a country's HRM problems. They suggested a series of factors related to cultural, institutional factors, business systems and structure and HR role and competence as the determining influences on European HRM. The above examine the six models of HRM. The question that arises then was how to carry out such an investigation. What factors and variables should be considered in examining the identified research propositions in different national or comparative settings? Is there a comprehensive framework for conducting this type of evaluation? An attempt has been made to answer these and related questions in the next section.

VIII. HRM PRACTICES -EMPLOYEE PERFORMANCE LINKAGE

Recently, Rehman Safdar et al; in 2010 have established a relationship which was the sixth model, between HRM practice, job analysis with the job performance as the researchers have developed a relationship between HRM practices and organizational performance but the relationship between HR practices and job performance was yet to be explored. Based on a study of employees of Pakistan, a non-western country, Public Sector regulatory Authorities of telecommunication, oil and gas, power, media, security exchange, banking sector and organizations being regulated by these authorities a hypothesized model was developed and tested, linking importance of HR practice job analysis with employee job performance. Survey results of 568 employees indicated that practice of job analysis was strongly related to employee job performance. The findings suggested that an organization-wide strategy of HRM practices in general and job analysis as specific was an important source of competitive advantage in its own right, and requires due attention of HR professionals. Tayeb, 1995; Welch, 1994). Although discussion on these is beyond the scope of this article but these frameworks were found to be normative in nature and many of them presented a complex set of variables that could not be tested empirically ??Redding, 1994). The relevant contributions useful for crossnational HRM evaluations from these frameworks have been collated and more factors and variables have been added by the authors to develop the framework.

12 Contingent Variables

- ? Age, size, life -cycle phase .
- ? Technological level.
- ? HR strategies and unions.
- ? Business sector.
- ? C oncentration of various stakeholders.

13 Organizational Strategies & Policies

- ? Fundamental HR functions.
- ? Internal labour markets.

14 ?

15 Intensity of integration & devolvment;

- ? Job Analysis .
- ? Job design.
- ? Job rotation.

16 Industrial Sector

- ? P ervasive strategies.
- ? Business wisdom and goals.
- ? Rules regulations & certifications.
- ? Sector wise knowledge.
- ? Cross -sector co -operation.
- ? W idespread deve lopments in business operations.

17 ?

18 Multi -s kill s requirements

19 Dynamic Business Environment

20 Institutions

- ? Rules and Regulations.

21 ? Technical & vocational training

? Labour market information system .
 ? Regulatory framework.
 ? Foreign institutions.

22 ?

In dustury.

23 ?

Trade unions. ? Consultancy firms.

24 National HRM Policies & Practices

? Best HR practices .
 ? Recruitment & selection.
 ? Traini ng & development.
 ? Performance management

25 ?

26 Job succession planning

? Compensations

27 ?

Job security

28 ? Turnover

Based on the analysis mentioned above and after synthesizing the fragmented contributions from the fields of comparative management, HRM and IHRM, it was possible to examine the eleven research propositions identified above by studying the influences of three levels of factors and variables. These were: national factors, contingent variables and organizational strategies and policies on HRM policies and practices. Considering the 'context specific' nature of HRM (Locke & Thelen, 1995; Jackson & Schuler, 1995), the authors have tried to provide a comprehensive list of factors and variables in the framework in Figurer-1, which was by no means exhaustive. Nevertheless, it should make possible the exploration into the known research propositions of the HRM models in a different context. However, a detailed explanation of this framework is beyond the focus of this paper. Theoretical support will however, be provided for each of the selected national factors, and their respective aspects and the contingent variables and organizational strategies and policies. Later there will be a brief overview of the operationalization of the framework.

29 X.

HRM NATIONAL DETERMINANTS Brewster (1995) emphasized the need to look into the influence of different national factors such as national culture and institutions on HRM practices (Research Proposition No.11). A similar desire was put forward by the Warwick researchers (Research Proposition No. 7). Apart from these, there was a series of other factors that operated at the national level which set the overall climate for international HRM that guided HRM choices. Three broad national factors of national culture, institutions, industry sector and dynamic business environment have been identified as significant determinants of HRM policies and practices in crossnational settings.

There would be a question of inclusion of national culture, institutional arrangements and changing business dynamics under the outer context. The industry sector can be taken as a contingent variable because it represents the interests of a number of stakeholders. However, the study of national business systems evidence (Rasanen & Whipp, 1992; Whitley, 1992) suggested that industry or business sector is the best considered as a country-level or national unit of analysis and was worth considering for national comparisons. Research by Eriksson et al., in 1996 has shown how HRM policies and practices were governed by a specific sector. The main causative influences related to this aspect of sector included: a) General strategies, business sense and goals. b) Standards and regulations. c) Supply chain management requirements. d) Need for sector-specific knowledge. e) Formal and informal benchmarking against sector competitors. f) Cross-sector Co-operative planning. g) Widespread developments in business operations. h) Sector-specific labour markets or skill requirements (Hiltrop, 1993; Rasanen & Whipp, 1992).

A number of researchers (Hofstede, 1993; Laurent, 1993; Schneider, 1993; Sparrow, 1995; Tayeb, 1995; Brewster, 1995) have highlighted and explained the influence of national culture on HRM policies and practices. However, it is important to note that the definition and scope of the concept of culture is debatable (Tayeb, 1994). It

is therefore sensible to examine the impact of those aspects of national culture on HRM which have a sound theoretical base.

The most important processes or aspects of national culture that have been identified for comparative evaluations are: a) Socialization process through which managers are 'made' (Hofstede, 1983;Schein, 1985;Terpstra and David, 1985; Van Maanen and Schein, 1979); b) Basic assumptions which shape managers' behaviour (Hofstede, 1983(Hofstede, , 1993;;Van Maanen & Schein, 1979 Common values, norms of behaviour and customs (Hofstede, 1983(Hofstede, , 1993;;Keesing, 1974;Tayeb, 1995); c) Influence of social 'elites or pressure groups unique to a country (Keesing, 1974); d) Unique ways of doing things and management logic in a particular country, which are reactive of the broader national business system (Sparrow and Hiltrop, 1997;Whitley, 1992).

With the development of various trading blocks world-wide such as NAFTA, EFTA and ASEAN, researchers in the field of cross-national HRM have now seriously started considering the impact of different institutions on HRM policies and practices (Brewster, 1995;Sparrow and Hiltrop, 1997). Given the regional focus in much international HRM research, they have provided lists of institutions most relevant to broad regional contexts like the European Union, the Social Chapter, patterns of unions and the recognition of the legal set-up. There are then a number of institutional systems whose influence on HRM in a cross-national context required to be interpreted which include: a) National labour laws (Brewster, 1995;Sparrow, 1995) b) Structure, density and role of trade unions (Tayeb, 1994;Brewster, 1995) c) Educational and vocational set-up (Sparrow, 1995) d) Role of professional bodies (Zucker, 1987; Torrington, 1993) e) International business institutions (Zucker, 1987;Morishima, 1995) f) Labour-market dynamics and overall preferences for internal or external markets (Osterman, 1994 ;Benson, 1995;Cappelli, 1995) g) Employers' federations and representative bodies (Zucker, 1987 ;Powell & DiMaggio, 1991; Scott, 1995) h) Legitimate role of consulting organizations ??Zucker,1987;Scott, 1995;Lowndes, 1996). Together with the abovementioned national factors, HRM research has also demonstrated the impact of dynamic business environments, characterized mainly by distinctive sets of competitive pressures on HRM policies and practices at the national level (Hendry & Pettigrew, 1992;Hiltrop, 1993;Sparrow, 1995). Although many of these dynamics were unique to each nation, a series of developments are pan-national and have been identified as major determinants of IHRM activity. The aspects of a dynamic business environment that have been identified as influencing HRM policies and practices in a cross-national context were: a) Increased competition and pressures on productivity, quality or social costs of employment at both national and international level; b) Resulting growth of new business alliances or forms of corporate governance (Cappelli, 1995;Sparrow, 1995); c) Automation of information systems and their impact on international business structures and coordination systems (Hiltrop, 1993); d) Change in the composition and demographics of the workforce (Torrington, 1993); e) Downsizing of organizations and the transfer of work across a new international division of labour (Soeters & Schwan, 1990; Cappelli, 1995) f) Transfer of convergent best practice, for example through the Japanization of production systems, emphasis on customer service or creation of likeminded international cadres of managers (Sparrow & Hiltrop, 1997).

30 XI. HRM CONTINGENT DETERMINANTS

Research propositions bearing number 4, 8 and parts of 7 strongly emphasize the impact of different contingent variables on HRM policies and practices. The (Tayeb, 1988

31 XII. ORGANIZATIONAL STRATEGIES AND POLICIES SHAPING HRM

Cross-national HRM researchers claimed that it was at the levels of national factors and contingent variables that useful contributions could be made by examining the impacts of such determinants on HRM policies and practices (Boxall, 1995;Brewster et al., 1996). However, in order to get a better understanding of the context-specific nature of HRM practices, an evaluation of the impact of organizational strategies on them along with the above-mentioned contingent variables was found important (Miles & Snow, 1984;Schuler & Jackson, 1987 ;Jackson et al., 1989;Peck 1994;Jackson & Schuler, 1995;. Resultantly, research propositions 1, 2, 3, 5, 6, 9 and 10 suggested a similar emphasis.

Many typologies are available for characterizing the organizational business strategies used by the organizations. However, the two most frequently cited in the discussions of HRM and therefore worth considering for cross-national analysis are the ones proposed by Miles & Snow (1978 and Porter (1980Porter (, 1985)).

Miles & Snow classified organizations as 'prospectors', 'analyzers', 'defenders' and 'reactors'. These generic strategies dictate organizations' HRM policies and practices. For example, defenders are less concerned about recruiting new employees externally and are more concerned about developing current employees. In contrast, prospectors are growing, so they are concerned about recruiting and using performance appraisal results for evaluation rather than for longerterm development (Slocum et al., 1985 ;Peck, 1994 ;Jackson & Schuler, 1995;MacDuf et al.,1995). Similarly, Porter's (1985) competitive strategies distinguished organizations that compete on the basis of 'cost leadership', 'product differentiation' and 'market focus'. Based on this typology, Schuler & Jackson (1987) used a role behaviour perspective to describe the Global possible HRM implications of cost-reduction, innovation and quality enhancement strategies. They predicted that organizations which pursue a cost-reduction strategy would emphasize on short-run relationships, minimizing training and development and

highlighted external pay comparability (Peck, 1994). Legge (1989) made a similar argument in her critical analysis of HRM. Based on such a premise, different organizational strategies have been shown to determine a range of HR practices and policies, such as staffing (Guthrie & Olian, 1991), compensation & rewards (Veliyath et al., 1994), the employment relationship ??Peck,1994) and its associated psychological contracts (Rousseau & Wade-Benzoni, 1994), work flexibility (Mayne et al., 1996), integration of HRM into the corporate strategy and levels of devolvement of HRM to line managers , Relationship of HR practices with employees job performance and levels of job satisfaction and job retention (Rehman Safdar et al, 2010), career management (Slocum et al., 1985), the range of internal labour markets or structured employment systems (Soeters andSchwan, 1990 &Osterman, 1994), type of training & development (Peck, 1994) and levels of performance (Guest, 1997;MacDuf. et al 1995). These studies have confirmed the significant impact of organizational strategies on different HRM practices and the fundamentally important way in which the inner context of organizations still mediates the role of national factors.

Recent research also shows that organizational policies related to recruitment such as to emphasize the fresh recruitments, training and development and communication also determine HR practices and policies in a cross-national setting ?? Importantly such variables, which represented the internal logic within the HR strategy, were more predictive than traditional contingency variables such as the age, size and nature of the organization. Similarly, research by Mayne et al. (1996) shows how the level of work flexibility across Europe was determined by different configurations of organizational policies related to recruitment, training and communication, along with organizational strategies and organizational demographics. These researchers suggested that the changes taking place within Europe were forcing organizations to adopt such practices. On the same lines, MacDuffie (1995) and Guest (1997) also suggested the influence of bundles or configurations of organizational policies and strategies on the performance level of organizations in the western countries whereas the same has been studied by Rehman Safdar et al in 2010 in South Asian country Pakistan. Such explanation shows the context-specific impact of organizational strategies and policies on HRM policies and practices. However, it is important to note that a particular context is an outcome of an interplay of many complex factors and variables, as explained above under the discussion of national factors and contingent variables.

XIII.

32 CONCLUSIONS AND IMPLICATIONS

The swift growth in the area of HRM and the need for more cross-national HRM studies has been highlighted. Models of HRM have contributed to the theoretical development of the HRM field. However, in the current dynamic business environment, the universal applicability of such models has become questionable. For the development of better HRM and IHRM theories and practices it has now become necessary to examine the main models of HRM in various settings. Unfortunately, the literature has shown the absence of an established framework for such evaluations. The author has identified the main research propositions of six HRM models, five from the western and one from non-western country, which could be examined in different settings. To pursue such investigations, the author proposed a contextual framework consisting of four national factors and a set of contingent variables and organizational strategies and policies which are known to determine HRM policies and practices. Taking into the consideration context-specific nature of HRM, the author has made an attempt to provide a broad list of these factors and variables which is by no means complete but is supported by mainstream research.

Based on the 'context-specific' assertion, the author believe that different configurations of cultural, institutional, sector or business dynamic revise the specific impact that the individual contingency factors may have. Understanding the complex interactions and causes-and-effect relationships between these different sets of national factors, contingent variables and organizational strategies and policies now plays a crucial role in highlighting the cross-national, but context-specific nature of HRM in different settings (Locke & Thelen, 1995;Jackson & Schuler, 1995). The use of tightly matched samples and the adoption of mixed methodologies should help to identify the significant predictors of HRM policies and practices in different national settings (Boxall, 1995;Brewster et al., 1996;Mayne et al., 1996).

33 XIV. DIRECTION FOR FUTURE RESEARCH

With the help of such analysis, the research propositions of different HRM models can be tested. For example, the issue of 'tight-fit' (Research Proposition 1) can be evaluated by looking at some of the accepted measures, such as involvement of HRM in the corporate strategy at the implementation stage (Storey, 1992;Truss et al., 1997). The proposed framework would help to determine the main reasons for such a practice (cultural, institutional or organizational philosophy). In a recent evaluation, found that, in comparison to British firms, Indian firms involved their HRM less from the outset while forming their corporate strategy. In the same way, the main reasons which contribute to an emphasis on training and development in a national or regional setting (Research Proposition 2) may be examined. The present thrust on human resource development (HRD) in Pakistan is created by the recent civil service reforms. Similarly, whether organizations have different HR strategies for different levels of employees (Research Proposition 3) can be examined. In comparison to British organizations, Pakistani organizations shared less financial and strategic information with lower-level employees. This was based

on the rationale that management had less faith in the capability of lowerlevel employees and less willing to share such information with them.

Similarly, the research propositions of the 'Harvard Model', i.e. the influence of stakeholders and situational variables on HRM and the emphasis given to employee development through involvement, empowerment and devolution (Research Propositions 4 and 6) could be examined by adopting the proposed framework in different national settings. For example, recently, Truss et al. (1997) examined the prevalence of the 'soft' and 'hard' models of HRM in eight large firms in the UK. They found an emphasis on the development and empowerment of employees. However, the same study revealed very little influence of different stakeholders on their HRM. The influence of national factors on HRM in different settings (Research Propositions 7 and 11) could be examined by collecting information on rating scales or allocation of points to each of the aspects of national factors.

Similarly, the influence of contingent variables and organizational strategies and policies on HRM (Research Propositions 2, 3, 4, 5, 6, 8, 9 and 10) could be examined with the help of appropriate statistical techniques such as regressions or discriminant analysis (for empirical explanations, (Dimick and Murray, 1978Guest, 1997). This article contributes to the theory of HRM. The proposed framework is not only helpful in identifying the main determinants of HRM but also facilitates cross-national comparisons (as shown by recent studies, such as by Brewster et al. (1997) and , 1998) conducted in a non-western country. Theoretical support for the mentioned national factors, contingent variables and organizational strategies and policies is available. However, more research is required to examine them further empirically. The proposed framework can be adopted for future research, such as to examine the applicability of more models of HRM, as, for example, proposed by Morgan (1986) and Dowling et al. (1994) in different contexts. Moreover, efforts should be made to identify more aspects of the given national factors (for example, national culture) and organizational policies which can influence HRM.



Figure 1:

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Figure 2:

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²Relative and Cross-National Human Resource Management Research: Development of a Hypothetical Model

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